

## Part III - Administrative, Procedural, and Miscellaneous

### Additional Extension of Temporary Relief for Fuel Removals Destined for Nontaxable Use Due to West Shore Pipeline Shutdown

Notice 2020-04

#### **SECTION 1. PURPOSE**

This notice provides an additional extension of the temporary dyed fuel relief initially provided in section 3.02 of Notice 2017-30, 2017-21, I.R.B. 1248, then extended through December 31, 2018, by section 3 of Notice 2018-39, 2018-20, I.R.B. 582, and further extended through December 31, 2019, by section 3 of Notice 2019-04, 2019-02 I.R.B. 282. This additional relief will be available for the period beginning on January 1, 2020, and ending on December 31, 2020. A claimant may submit a refund claim for the Internal Revenue Code § 4081(a)(1) tax imposed on undyed diesel fuel and kerosene for fuel that is (1) removed from a Milwaukee or Madison terminal; (2) entered into a Green Bay terminal within 24 hours of removal from the Milwaukee or Madison terminal; and (3) subsequently dyed and removed from that Green Bay terminal.

#### **SECTION 2. BACKGROUND**

Section 3.02 of Notice 2017-30 provided a temporary refund mechanism for the § 4081(a)(1) tax imposed upon removal of undyed diesel fuel and kerosene from a Milwaukee terminal when such fuel was subsequently transported to, then removed

from a Green Bay terminal as dyed fuel destined for a nontaxable use. This relief was available for the period beginning on October 31, 2017, and ending on May 3, 2018. Section 3 of Notice 2018-39 extended this relief for the period beginning on May 4, 2018, and ending on December 31, 2018. Additionally, Notice 2018-39 expanded the relief to include refund claims for fuel that is taxed on removal from a Madison terminal, transported to a Green Bay terminal, and then removed from that Green Bay terminal as dyed fuel. Section 3 of Notice 2019-04 extended this relief as expanded for the period beginning on January 1, 2019, and ending on December 31, 2019.

Notice 2017-59, 2017-45 I.R.B. 484, provides guidance on how persons eligible for relief under section 3.02 of Notice 2017-30 may submit claims for refund. Sections 3.02, 3.03, and 3.04 of Notice 2017-59 describe the conditions and procedures required to make such claims.

### **SECTION 3. EXTENSION OF TEMPORARY DYED FUEL RELIEF**

For the period beginning on January 1, 2020, and ending on December 31, 2020, if any person (that is, the position holder) that removes diesel fuel or kerosene that satisfies the requirements of § 4082 from a Green Bay terminal establishes to the satisfaction of the Secretary of the Treasury or his delegate that a prior tax was paid with respect to the removal of such fuel from a Milwaukee or Madison terminal, then an amount equal to the prior tax paid shall be allowed as a refund (without interest) to the position holder in the same manner as if it were an overpayment of tax imposed by § 4081.

The relief described in this section is not available with respect to any transaction

for which one or more conditions set forth in section 3.02 of Notice 2017-59 are not satisfied or for any refund claim that fails to comply with the procedures set forth in sections 3.03 and 3.04 of Notice 2017-59. For purposes of this notice, any reference in Notice 2017-59 to removals from a Milwaukee terminal shall be read to also include removals from a Madison terminal.

#### **SECTION 4. EFFECTIVE DATE**

The temporary dyed fuel relief described in section 3 of this notice applies to removals of dyed diesel fuel and kerosene from Green Bay terminals on or after January 1, 2020, and on or before December 31, 2020.

#### **SECTION 5. DRAFTING INFORMATION**

The principal author of this notice is Elisabeth S. Shellan of the Office of Associate Chief Counsel (Passthroughs & Special Industries). For further information regarding this notice contact Elisabeth S. Shellan or Jacob W. Peebles at (202) 317-6855 (not a toll-free call).